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be to follow a
ated by former
Aiken, R-Vt., for
the Vietnam War: "De-
victory and get out."
The administration is studying
a number of options to see if
safer positions can be found for
the Marines. But officers say
casualties will continue as long
as there is a significant Marine
presence. They say the attacks
are aimed not at the Marines
but at the United States, and
that the Marines would be in
danger anywhere in Lebanon.



UPI photo

The glitter of the holidays

The shimmering Capitol Christmas tree rivals the majesty of the Capitol dome for these folks on the West Front of the Washington landmark.

Rewald says trustee, media ruined firm

By James Dooley
Advertiser Staff Writer

In an interview published in Hawaii Investor, jailed businessman Ronald Rewald said his company was in good financial shape before the media and federal bankruptcy court trustee Thomas Hayes destroyed it.

The monthly business publication, edited by William Wood, carries a lengthy interview with Rewald in its December issue.

During the interview, Rewald made a number of hitherto unreported statements about himself and his company, Bishop, Baldwin, Rewald, Dillingham and Wong.

He said that he tape-recorded meetings in his office and that he thinks the FBI, now conducting an investigation of him and his firm, has received "only four tapes."

When asked if he taped two meetings and one telephone conversation with the head of the Honolulu office of the FBI, Rewald responded: "No com-

ment."

He gave the same answer repeatedly when asked about his reported relationship with the CIA.

But Rewald does describe Jack Kindschi, former CIA station chief in Honolulu, as a close friend who wrote most of the quarterly reports and brochures put out by Rewald's firm.

When asked how the company's name was chosen — the kamaaina companies and families of Bishop, Baldwin and Dillingham were not connected with Rewald's firm — Rewald told Wood: "Are you kidding?"

"We would never have picked a name like that. But we're in an area again that I can't discuss," Rewald said.

Rewald said that interim bankruptcy trustee Hayes, who took control of the firm in early July after Rewald attempted suicide, has been a source of the allegations of CIA involvement in the firm. Rewald said that has hurt the firm.

"We tried to stop him," Rewald said of Hayes, "but he was always out of control."

He went on to say: "We cautioned Hayes about this repeatedly, but he was bent on becoming a media star and the repercussions for Bishop, Baldwin, its associates and clients appeared to be secondary. He just wouldn't shut his mouth."

Rewald said that before attempting suicide July 29, he "first went to the Federal Building."

He refused to say why and declined comment when asked if it was to visit the CIA office there.

Rewald also is quoted in the interview as saying that his wife and five children have suffered considerably.

Family members are on the Mainland now and Rewald said that his three youngest children missed three weeks of school because Hayes wouldn't release their clothes.

Rewald said his wife, Nancy, is now working as a housekeep-

er and also as an aide in a nursing home.

"She has no car and walks two miles home from work a night in freezing temperatures," he said.

His two oldest children are also working, he said.

Rewald described himself as a religious man who spends much of his time in jail reading the Bible and writing.

He is charged with two counts of first-degree theft and could be free on bail if he could raise \$20,000 in cash.

Rewald said he has heard from few of his friends after his troubles began in the summer but he said entertainer Danny Kaleikini visited him at the Queen's Medical Center twice to read the Bible with him while he was recovering from his suicide attempt.

Rewald said news stories about him and his company unfairly precipitated last summer's events and he said subsequent stories have been inaccurate and unfair.

Rewald appeals denial of unemployment pay

Robert A. Smith, the civil attorney of jailed Honolulu businessman Ronald Rewald, has appealed a state denial of unemployment compensation for Rewald.

Several weeks ago Rewald, through Smith, asked the Unemployment Insurance Division of the state Department of Labor for unemployment compensation.

Rewald is in prison awaiting trial for first-degree theft in connection with his crumbled investment empire, and he told the Department of Labor that he is entitled to unemployment compensation because he has no

job, is unable to work (because he is in prison and cannot raise bail) and has a family to support.

The state said an applicant for such aid has to be available for work, which Rewald isn't, and the request was denied.

Now Smith is filing a circuit court appeal of the state's denial.

"What he would get, if the appeal is successful, is not much," Smith told The Advertiser yesterday. "But we feel that something is better than nothing and that the law entitles him to this compensation."

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HONOLULU ADVERTISER

Trustee Files Suit to Recover Funds

By Charles Memminger
Star-Bulletin Writer

The trustee of the defunct investment company Bishop, Baldwin, Rewald, Dillingham & Wong yesterday filed the first of what will be many lawsuits in an attempt to recover millions of dollars that were paid out to certain investors shortly before the company collapsed.

Ironically, the first suit was filed against Jack Kindschi, the former head of the CIA office here, who is responsible for one of two pending theft charges against Rewald.

Thomas Hayes, administrative controller for the bankruptcy trustee, said Kindschi is being sued for \$145,000 he received from Rewald just before the company shut its doors on July 29.

"It was one of the last checks Rewald wrote before he closed the company," Hayes said.

Kindschi was a personal friend of Rewald and had been on an ocean cruise with him shortly before Rewald tried to kill himself and the company collapsed. Kindschi also was one of the first people to visit Rewald in the hospital.

THE THEFT by deception charges on which Rewald was indicted Aug. 11 name Kindschi and Hugh Fraser as the victims.

Under federal bankruptcy laws, any money paid out to investors within 90 days of the bankruptcy

has to be returned to the company, Hayes said. The purpose of the law is allow the trustee to recover money paid out to "insiders" and "preferential investors" shortly before a company goes bankrupt.

Another \$30,000 was paid to Kindschi in an account in his mother's name, Hayes said.

On the eve of the company's collapse, Rewald also wrote a \$70,000 check to Killian Bode, an acquaintance from Wisconsin who had come to Hawaii to help run MotorCars Hawaii, Rewald's exotic car dealership.

HAYES SAID "dozens" of suits will be filed against other investors and company officers in an attempt to recover between \$1 million and \$2 million.

Hayes also has sent out letters to another group of people and companies that received gifts of money from Rewald within a year of the company's collapse.

The letters are bound to make Hayes unpopular since they are going to groups like the Boy Scouts and other charities, demanding that any money they received from Rewald be returned. Rewald gave the Boy Scouts \$3,000 and gave St. Louis High School \$20,000.

The amount of money eventually returned to investors will depend on how many legal battles the trustee has to wage in the process. Hayes said he estimates investors will get back only 10 to 15 cents for every dollar they invested.

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